

**IN THE CLAIMS:**

Please cancel claims 4 and 10 without prejudice;

Please amend claims 1, 7, and 12 as follows:

Sub B1 }  
1. (amended) A system for providing multiline service, the system comprising:  
a modem for exchanging communications signals with a communications network  
and for exchanging an incoming digital signal and an outgoing digital signal with a  
statistical multiplexor;

the statistical multiplexor for exchanging the incoming digital signal and the outgoing  
digital signal with the modem, for multiplexing a plurality of outgoing encoded signals from  
a plurality of telephonic devices into the outgoing digital signal, and for demultiplexing the  
incoming digital signal into a plurality of incoming encoded telephonic call signals;

A4  
at least one call processing element coupled to the statistical multiplexor for  
converting the plurality of incoming encoded telephonic call signals into a plurality of  
incoming phone signals, and for converting a plurality of outgoing phone signals into the  
plurality of outgoing encoded telephonic signals; and

one or more bypassing elements positioned between the plurality of telephonic  
devices and the statistical multiplexor and operative to connect the plurality of telephonic  
devices either to the at least one call processing element or to the communications  
network.

7. (amended) A system for simultaneously providing multiline phone and data service, the system comprising:

Sub B1  
a modem for exchanging communications signals with a communications network and for exchanging an incoming digital signal and an outgoing digital signal with a statistical multiplexor;

AS  
the statistical multiplexor for exchanging the incoming digital signal and the outgoing digital signal with the modem, and for multiplexing an outgoing encoded telephonic call signal and an outgoing data signal into the outgoing digital signal, and for demultiplexing the incoming digital signal into an incoming encoded telephonic call signal and an incoming data signal;

a call processing element coupled to the statistical multiplexor for converting the incoming encoded telephonic call signal into an incoming phone signal, and for converting an outgoing phone signal into the outgoing encoded telephonic signal; and

one or more bypassing elements positioned between the plurality of telephonic devices and the statistical multiplexor and operative to connect the plurality of telephonic devices either to the call processing element or to the communications network.

Sub B1  
12. (amended) A system for providing multiline calls, the system comprising:  
a modem for exchanging customer signals over a telephone line having encoded therein a set of multiline calls, and for communicating incoming and outgoing digital signals with a statistical multiplexor;

the statistical multiplexor for exchanging the digital signals with the modem, and for multiplexing at least one outgoing encoded telephonic call signal from a telephone network into the outgoing digital signal, and for demultiplexing the incoming digital signal into at least one incoming encoded telephonic call signal;

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at least one call processor coupled to the statistical multiplexor for converting the at least one incoming and outgoing encoded telephonic call signals into at least one telephone network call, and for providing the at least one telephone network call to a gateway switch for communicating over the telephone network;

a control coupled to the at least one call processor for controlling the call processor and for exchanging signaling information with the gateway switch; and

one or more bypassing elements positioned between the plurality of telephonic devices and the statistical multiplexor and operative to connect the plurality of telephonic devices either to the at least one call processing element or to the communications network.